## TENNESSEE REGULATORY AUTHORITY REGERMAN

GRICUTURE 3

Deborah Taylor Tate, Chairman Pat Miller, Director Sara Kyle, Director Ron Jones, Director 2004 JUN 18 Ph 1: 38

460 James Robertson Parkway

I.R.A. DUCKET ROUM

June 18, 2004

Mr. James H. Jeffries IV
Nelson Mullins Riley & Scarborough LLP
100 North Tryon Street, 24<sup>th</sup> Floor
Charlotte, North Carolina 28202-4000

RE: DOCKET NO. 04-00174 – PETITION OF NASHVILLE GAS COMPANY FOR APPROVAL OF EXTENSION OF NEGOTIATED GAS REDELIVERY AGREEMENT WITH VISTEON CORPORATION

Dear Mr. Jeffries:

In order to assist our efforts in conducting an investigation into the petition filed on the behalf of Nashville Gas Corporation, further information is needed. Please respond to the items listed below. Your response must be received by the Authority no later than July 2, 2004.

A total of thirteen copies plus the original are to be supplied to the TRA at the following address:

Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, Tennessee 37243-0505

Each copy of the responses should be placed in loose-leaf binders with each item tabbed. Each response should begin by restating the item request. If several sheets are required to answer an item, each sheet should be appropriately labeled and indexed, for example, Item 1(a), Sheet 1 of 4.

## **DATA QUESTIONS**

1. To support assertions that the Visteon plant made when the original contract was approved, provide the number of employees at the plant by year for January 2000 through May 2004. In addition, provide information that will support the reduced rates for the plant, such as employee retention, production levels, or other indicators to show the

reduced rates have been in the public interest. Also, provide the percentage of total production cost that gas cost represents for the same time periods.

- 2. Provide annual gas volumes, by month, used by Visteon at this plant during January 2000 through May 2004.
- 3. Provide the annual gas volumes, by month, Visteon projects until the end of the agreement.
- 4. Will Nashville Gas provide any capacity for Visteon? If so, at what rate?
- 5. If Nashville Gas delivers more gas than is contracted for, will it be under the normal tariff rate for transportation, (i.e., 7F)? Is the service to be provided under firm transportation?
- 6. Provide the rate that Visteon pays to gas utilities for local distribution service at each of its plants by month for the 12 months ended December 31, 2003.
- 7. Provide all correspondence between Visteon and Piedmont Natural Gas or Nashville Gas Company related to this special contract.
- 8. Provide an analysis of the gas sales/transportation volumes and associated revenues on gas deliveries to Visteon by meter and by month for the last five years.
- 9. What supplier or marketer is currently supplying the gas requirements for the Visteon plant in Nashville? Is this gas supplier a Piedmont Natural Gas or Nashville Gas Company affiliate? Has an affiliate of Piedmont Natural Gas or Nashville Gas Company served the Visteon plant in Nashville in the past or contracted to serve their requirements in the future? If yes, is the discounted interstate pipeline capacity purchased through a third party or part of regulated assets managed by the affiliate?

If you have any question regarding this request, you may contact me at (615) 741-2904, Extension 174.

Sincerely,

William H. Novak

Chief

Energy and Water Division

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